

1 February 1951

MEMORANDUM FOR: ACTING DEPUTY DIRECTOR (ADMINISTRATION)

SUBJECT: Comments on S2665

1. S2665 which proposed for the amendment of the Classification Act of 1949 as amended by the Federal Employees Act of 1945 has been reviewed.

2. This Act would discontinue the GPC grade and transfer all individuals in this series to General Schedule salaries. As of December 31, 1953 there were a total of employees in the GPC series who would be affected by this provision. The changes in salaries, however, are very nominal. In Grade GPC-3 and above the General Schedule minimum salary is lower than the equivalent minimum GPC salary which is being discontinued. However, in grade GPC-1 and 2 an increase in minimum salary would result. This provision would make a minimum salary in the Agency of \$2400. The amount, however, would be rather nominal.

STAT

3. Insofar as this Agency is concerned the greatest change would be the provision involving compensation for overtime. The bill provides for the payment of overtime to employees through grade GS-15 provided that (1) employees in grade GS-9 and above would receive time and a half on the basic salary of grade GS-9 and (2) employees below grade GS-9 would receive time and a half in their basic salary. Heretofore, full time and a half has only been given on the first \$2980 year's basic salary. Under the present law a special formula is applied in the calculation of overtime to employees earning in excess of \$2980 per annum which reduces the amount of overtime on all individuals who have a basic pay in excess of that amount. The increase resulting from this change could be considerable although the amount cannot be determined without rather careful analysis of overtime paid by grades of employees. Information of this character is not available and would require a special report from the machine room providing a breakdown of the number of hours of overtime claimed by a salary rate. Only in this manner could a reasonable estimate of the possible increased cost be obtained. In view of the trend toward the reduction in overtime, however, it would be difficult to determine whether an estimate based on experience would be valid.

4. Several other minor changes occur including the granting of longevity increases to employees in grades 11 through 15 inclusive. In view of the relatively few individuals who are at the maximum step in these upper grades it is doubtful whether this would have any appreciable affect on the agency for some years.

5. The legislation also provides several other minor amendments. One of some interest is establishment of a basic work week (establishing the basic work week including five (5) consecutive days having the same working hours in each day and providing that each work day does not exceed eight (8) hours). Title 3 of the bill also provides for government employees Incentive Awards Program.

6. Although a number of the proposals have budgetary implications, it is not believed that the amounts involved would be appreciable on the over-all budget of the Agency.




STAT

CONFIDENTIAL

CNM:nf

O&2- A-DD/A ✓
1- Signer's
2- Budget

TRANSMITTAL SLIP		
3 Feb 54 (Date)		
TO: Office of General Counsel attn: Mr. Pforzheimer		ROOM NO. 317
BUILDING South		
REMARKS: Attached is a copy of a memo from the Comptroller indicating no appreciable effect on the budget of the Agency if S.2665 is adopted. Accordingly, I do not recommend that the Agency raise any opposition solely on the basis of increased operating costs.		
 L. K. WHITE		
FROM: A-DD/A		
BUILDING Admin	ROOM NO. 226	EXTENSION <input type="text"/>
FORM NO. 36-8 SEP 1946		16-65268-1 GPO

STAT